

**COMMITTEE of the WHOLE COMMITTEE
BUDGET WORKSESSION MINUTES
MAY 19, 2015**

The Committee of the Whole met on Tuesday, May 19, 2015 in the Council Chambers, located on the second floor of the Administration Building, at 12:00 p.m. to finalize deliberations for the FY2015-16 Recommended Budgets. Mr. Jeffcoat, Committee Chairman, presided.

Mr. Kinard provided the invocation. Mr. Smokey Davis, Veteran and past Council member, led the Pledge of Allegiance.

Members Attending:

Johnny W. Jeffcoat, Chairman
James E. Kinard, Jr.
*M. Kent Collins
Bobby C. Keisler
Ned R. Tolar

M. Todd Cullum, V Chairman
Paul L. Brigham, Jr.
*Debra B. Summers
*Phillip H. Yarborough

*Arrived after the session had started.

Also attending: Joe Mergo, III, County Administrator; Chris Folsom, Deputy County Administrator; Randy Poston, Chief Financial Officer; other staff members, citizens of the county and representatives of the media.

In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and television stations, newspapers, posted on the County of Lexington website and bulletin board located in the lobby of the Lexington County Administration Building.

The Budget Worksession video for this meeting can be viewed in its entirety on the Lexington County Video Web Portal at www.lex-co.sc.gov.

Administrator - County Fees - Mr. Mergo reported there were three County departments with either a change in their current fee structure or new fee.

Register of Deeds New Subscription Management Service Fee - Ms. Debbie Gunter, Registrar of Deeds - Ms. Gunter presented a request to institute a subscription management service fee providing online service to businesses to receive ROD data and images. She reported the start up cost is \$10,000 through Red Vision; however, the fees generated would offset the operating cost. The online subscription would allow access from all around the country. Mr. Mergo reported the operating cost was in the recommended budget.

Chairman Jeffcoat opened the floor for discussion.

Mr. Cullum asked about the cost for the monthly subscription.

Ms. Gunter confirmed it would be \$200 per month for subscribers after an initial charge for the

information download.

Motion: A motion was made by Mr. Kinard, seconded by Mr. Tolar to approve the online subscription fee.

Chairman Jeffcoat opened the floor for discussion; discussion occurred.

Mr. Cullum confirmed this was not for the consideration list.

In Favor:	Mr. Jeffcoat	Mr. Kinard
	Mr. Tolar	Mr. Brigham
	Mr. Keisler	Mr. Cullum

Absent:	Mr. Collins	Ms. Summers
	Mr. Yarborough	

Coroner Cremation Fee Change - Ms. Margaret Fisher, Coroner - Ms. Fisher presented a request to increase the cremation permit fee from the current fee of \$20 to \$50 based on research with other counties whose cremation fees range anywhere between \$20 to \$100. She reported the current fee has been the rate for some time and is not sufficient to cover the office work generated by cremation paperwork.

Chairman Jeffcoat opened the floor for discussion; no discussion occurred.

Motion: A motion was made by Mr. Cullum, seconded by Mr. Tolar to approve the Coroner's request to increase the cremation fee to \$50.

In Favor:	Mr. Jeffcoat	Mr. Cullum
	Mr. Tolar	Mr. Kinard
	Mr. Brigham	Mr. Keisler
	Mr. Yarborough	

Absent:	Mr. Collins	Ms. Summers
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Solid Waste Management Mattress Recycling Rate Change - Dave Eger, Director - Mr. Eger presented a request to increase the current landfill disposal rate for mattresses. He reported Solid Waste Management charges \$22 per ton rate for mattresses delivered by commercial facilities and is proposing to increase the rate to \$246 per ton. Mr. Eger said based on the actual costs that come through the facility the total comes to \$246 per ton or \$7 per mattress.

Mr. Eger reported the mattresses are not placed in the landfill but are collected for a recycling facility. He said so far this year they have handled 5,777 box springs and mattresses since the beginning of the fiscal year and anticipates handling close to 6,600 by the end of the fiscal year.

Chairman Jeffcoat opened the floor for discussion; discussion occurred.

Motion: A motion was made by Mr. Cullum, seconded by Mr. Kinard to approve staff's request to increase the mattress recycling rate to \$246 per ton.

In Favor: Mr. Jeffcoat Mr. Cullum
 Mr. Kinard Mr. Brigham
 Mr. Keisler Mr. Yarborough
 Mr. Tolar

Absent: Mr. Collins Ms. Summers

Solid Waste Management New Compost Bulk Sales Rate - Dave Eger, Director - Mr. Eger presented a request for a new compost material sales rate. He said currently the compost sales rate is \$30 per ton. Mr. Eger is proposing a new bulk rate fee in order to move more material for eight tons or greater at a rate of \$15 per ton. This is from wood material recycled into compost by the County.

Chairman Jeffcoat opened the floor for discussion; discussion occurred.

Motion: A motion was made by Mr. Kinard, seconded by Mr. Cullum to approve the new compost bulk sale rate at \$15 per ton (8 ton or greater).

In Favor: Mr. Jeffcoat Mr. Kinard
 Mr. Cullum Mr. Brigham
 Mr. Keisler Mr. Yarborough
 Mr. Tolar

Absent: Mr. Collins Ms. Summers

FY 2015-2016 - Outside/Other Agency Requests

Lexington County Community Mental Health Center - Mr. Rick Acton, Executive Director
Non-General Fund Recommended Budget Book 2 Page 205-207 - Mr. Acton and Ms. Sarah Main, Assistant Director, presented the Mental Health Center's FY2015/16 budget request for \$625,000. He provided background on the Center's seven facilities in the County and a review of the services provided.

Chairman Jeffcoat opened the floor for discussion.

Mr. Cullum asked what is the request. He said has this not been recommended in the recommended budget at ½ mil.

Mr. Mergo responded no sir. He said Council is aware that last year we discussed sending a letter requesting a meeting with the Mental Health Center. At Council's Strategic Retreat, we talked about what our needs were and that was the direction he was given because of where the County is with our EMS System.

Mr. Cullum asked if Mental Health had any conversation and made the same request to our State

Delegation.

Mr. Acton responded he has not had this conversation with the Delegation specifically about emergency services and funding in relation to the County millage.

Mr. Cullum said Mental Health received a letter from our Administrator that the County may discontinue the funding and asked after receiving that letter have you had a conversation with any House or Senate member in our Delegation.

Mr. Acton said he had the opportunity to have one conversation with Senator Setzler and he is aware that could be an issue.

Mr. Cullum asked what could be an issue.

Mr. Acton responded our millage allocation could be reduced.

Mr. Cullum asked has the Delegation made any preparations to help you with your funding shortfall.

Mr. Acton said he could not speak to that one way or another.

Mr. Cullum asked if the Mental Health Center intends on having a conversation with the Delegation about funding.

Mr. Acton responded at this point no because the issue rests with Council. He said he saw that as a context of the historic relationship with Council and the fact that the millage, as it has been present for quite some time, is not going to impact, as far as the property tax is concerned, any significant degree.

Mr. Cullum said he fully understands and can appreciate that from your viewpoint but the County has also had a historical context and relationship with the State government by statute of which we will probably, and don't know if we have the number yet, receive less than we did last year. He said and last year we received less than we did the year before and the year before and the year before. Mr. Cullum reported some \$3 million last year and that is the dilemma we find ourselves in and we have got to make some choices here. He said, honestly, the State operating agency and knowing that there is a very distinct possibility that the funding may not be available and not have a conversation with the appropriate funding agency. Mr. Cullum said as you have known for some time that Mental Health could be faced with a \$620,000 shortfall. He said we are trying to formulate a budget and maybe that conversation should take place real quickly.

Mr. Acton said he would take that to heart. He said one of the things that he does know is the fund balance for the Mental Health millage.

Mr. Mergo confirmed it was \$25,000. He said the Department of Mental Health is a contribution agency and all the millage set-aside is still County General/County Ordinary funds. Mr. Mergo reported many years ago, as its been explained to him, Council tried to be as transparent as possible, which like Riverbanks Zoo, does not have to be broken out on the tax bill but that is what Council chose to do for Mental Health. He said everyone kept asking where is all this money going and how is it being spent. Mr. Mergo said the idea behind it was to, at the time, show the millage that was valued

at the time to produce the amount of money at the time for those specific agencies. He said there is no requirement that Council takes 100 percent of everything that millage collects and spend it on that specific entity nor is the fund balance created automatically for that agency, no different than the zoo.

Mr. Smokey Davis, former Council member and Mental Health Board member, spoke on behalf of the Board. He said he was concerned with the integrity of the tax bill which reflects money collected for Mental Health paid by the citizens and now Council is taking that money from Mental Health and putting it in the General Fund; that is not transparency. Mr. Davis said that was a serious error in the integrity of the tax bill and he is asking Council to please do not do this to the citizens of this County.

Mr. Jeffcoat said he hoped that everyone knows where the County is and as of this year the County is missing about \$20 million in Local Government Funds over the past few years. He said obviously there are no plans to bring that up as it continues to go down. Mr. Jeffcoat said the County has to make some decisions when you are close to \$4 million down, coupled with year-after-year going down, what do you do. That is why we are here and we are going to have to make some decisions that are not easy. Mr. Jeffcoat said it is not reflection on the individual or service that you provide; however, this is a financial decision and it is sad that we have to be at this juncture with Mental Health especially.

Sexual Trauma Services of the Midlands - Ms. Ginny Waller, Executive Director - General Fund Recommended Budget Book 1 Page 8 - Ms. Waller presented Sexual Trauma's budget request of \$15,000 and a brief overview of services provided by Sexual Trauma.

Chairman Jeffcoat opened the floor for discussion.

The Committee discussed the County's funding shortages and asked Sexual Trauma Services to bring this before the County Legislative Delegation. There was also discussion regarding possible grant funding sources that may be available to them. Ms. Waller confirmed coordination of services between Sexual Trauma Services and the Dickerson Center.

Lexington County Community Mental Health Center

Mr. Jeffcoat wanted to answer a question regarding school funding for Mental Health. He said all the District Schools, with the exception of School District One, provide funding for Mental Health. Mr. Jeffcoat said he received a letter from District One requesting the County to fund Mental Health.

Sexual Trauma Services of the Midlands

Motion: A motion was made by Ms. Summers, seconded by Mr. Yarborough to move forward to provide them with the funding necessary for next year on the consideration list.

Chairman Jeffcoat opened the floor for discussion; discussion occurred.

Chairman Jeffcoat called for the vote.

In Favor:	Mr. Jeffcoat	Ms. Summers
	Mr. Yarborough	Mr. Kinard
	Mr. Brigham	Mr. Collins
	Mr. Keisler	Mr. Tolar

Mr. Cullum

Lexington County Community Mental Health Center

Motion: A motion was made by Mr. Keisler, seconded by Ms. Summers to place Mental Health on the consideration list to see what their outcome will be from the state and maybe from the other schools and we can decide at that end.

Chairman Jeffcoat opened the floor for discussion; discussion occurred.

Chairman Jeffcoat called for the vote.

In Favor:	Mr. Jeffcoat	Mr. Keisler
	Ms. Summers	Mr. Brigham
	Mr. Collins	Mr. Yarborough
	Mr. Tolar	

Opposed:	Mr. Kinard	Mr. Cullum
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Motion passed.

Discussion of Items on the “Consideration List” and Funding Source

Motion: A motion was made by Mr. Cullum, seconded by Ms. Summers to fund Lexington County Community Mental Health \$293,000 for the FY15/16 budget year, and in my motion we do not have a line item indicating collected monies with a millage value on any tax bill here forward.

Chairman Jeffcoat opened the floor for discussion.

Mr. Jeffcoat asked Mr. Cullum if he was going to include funding, going forward, in your motion as far as what we are going to do in the future.

Mr. Cullum responded that through this motion he is asking that we do not identify a ½ mill as being collected on behalf of Mental Health.

Amendment to the Motion: Mr. Kinard made an amendment to the motion, seconded by Mr. Cullum that going forward we not recommend or not consider any request from Mental Health as long as the State is funding the County less than the current statutory Local Government Fund formula allows. So we will take care of this year from what we have already collected, but going forward, unless we are funded at the full amount, we will not consider any state agencies in our budget going forward.

Chairman Jeffcoat called for the vote on the amendment.

Vote on Amendment:

In Favor:	Mr. Jeffcoat	Mr. Kinard
	Mr. Cullum	Mr. Brigham
	Mr. Collins	Ms. Summers

Mr. Keisler Mr. Yarborough
Mr. Tolar

Mr. Poston reported that as of July 1st Mental Health would not be on the vehicle tax statements.

Chairman Jeffcoat called for the vote on the motion as amended.

Vote on Amended Motion:

In Favor: Mr. Jeffcoat Mr. Cullum
 Ms. Summers Mr. Kinard
 Mr. Brigham Mr. Collins
 Mr. Keisler Mr. Yarborough
 Mr. Tolar

Sexual Trauma Services & Dickerson Center

Motion: A motion was made by Mr. Kinard, seconded by Mr. Cullum to approve funding \$15,000 for Sexual Trauma Services and \$40,000 for Dickerson Center from the recommended contingency with the caveat that we ask them to look at exploring other ways to raise funds on their own since they are not a County agency or department and we are going to have to prioritize things a lot more so in the future.

Chairman Jeffcoat opened the floor for discussion.

In Favor: Mr. Jeffcoat Mr. Kinard
 Mr. Cullum Mr. Brigham
 Mr. Collins Ms. Summers
 Mr. Keisler Mr. Yarborough
 Mr. Tolar

Coroner's Office - Deputy and Vehicle

Motion: A motion was made by Mr. Keisler, seconded by Ms. Summers to approve the Coroner's budget request to come from contingency (one deputy and one vehicle for a total of \$120,715).

Chairman Jeffcoat opened the floor for discussion.

In Favor: Mr. Jeffcoat Mr. Keisler
 Ms. Summers Mr. Kinard
 Mr. Brigham Mr. Collins
 Mr. Yarborough Mr. Tolar
 Mr. Cullum

Fire Service - CPI and Population

Motion: A motion was made by Mr. Cullum, seconded by Mr. Kinard to increase the millage to .274 mills on CPI and .266 (for Population) for a total of .54 mills for Fire Service only and to include the Irmo Fire District.

Chairman Jeffcoat opened the floor for discussion.

In Favor:	Mr. Jeffcoat	Mr. Cullum
	Mr. Kinard	Mr. Brigham
	Mr. Collins	Ms. Summers
	Mr. Keisler	Mr. Yarborough
	Mr. Tolar	

Fire Service - Regional Training Facility \$1,500,000

Motion: A motion was made by Mr. Cullum, seconded by Mr. Kinard to approve \$1,500,000 to be taken from fund balance to construct the Regional Training Facility on Ball Park Road for Fire Service.

Chairman Jeffcoat opened the floor for discussion.

In Favor:	Mr. Jeffcoat	Mr. Cullum
	Mr. Kinard	Mr. Brigham
	Mr. Collins	Ms. Summers
	Mr. Keisler	Mr. Yarborough
	Mr. Tolar	

Indigent Care - Mr. Mergo reported the County is required to list Indigent Care on the tax bill. Lexington County collects the money and sends 100 percent to the State. He said every year the State sends a letter informing the County how much the quarterly distributions are going to be, based on every quarter and what the total amount the County has to pay for Indigent Care, under state statute. Mr. Mergo said this year the letter received states that the annual assessment is \$1,530,923, which is about a \$431,000 increase. He said last year the County was one of the only counties who took the opportunity that says if the State reduces the Local Government Fund you could reduce, and we intend to do that again this year. Mr. Mergo is questioning why Lexington County's MIAP charges, or Medically Indigent Assistance Program charges, is listed at \$31,274,110 and the next closest county is York at \$17,191,000. He read, for the record, the letter received, "This letter is correspondence in reference to your annual contribution as required by the Medically Indigent Assistance Act of South Carolina. In order to assist you in developing your fiscal year 2016 budget we have calculated the county assessment for the state fiscal year 2016. The assessments are based on the most recently available statistics in the following areas: 2015 Personal Income, 2014 Net Taxable Sales, 2013 Total Assessed Property Values, and Medically Indigent Assistant Program Hospital Charges for each county's residents as reported to the Division of Research and Statistical Services of the Budget and Control Board for the two previous state fiscal years July 1, 2015 through June 30, 2016. Each factor has an equal weight in the calculation. Your county's assessment is \$1,530,920." Mr. Mergo said he has reached out to the Lexington Medical Center and they have this information. They are also interested in that number because they do not have charges at the hospital of medically indigent programs at that number. He said he would continue to investigate. Mr. Mergo reported this is in addition to the money that automatically comes out of the Local Government Fund (LGF) based on the County's population at 50 cent per person that automatically gets taken out before the LGF gets distributed to us. Mr. Mergo said this is paid quarterly and the first quarterly payment is due July 31.

Motion: A motion was made by Mr. Kinard to recommend that the County not pay anything until we

receive a reasonable explanation as to why ours is double everybody else's.

Mr. Kinard withdrew his motion.

EMS

Mr. Keisler asked about EMS and the money the County has from Mental Health, when we do the changeover is this something we need to work on with EMS or how will that be handled.

Mr. Mergo responded within the next fiscal year tests will be conducted to find a way to staff the EMS units differently than what we have ever done with the EMS units we have. He said we should be able to look at it during next year's budget process.

FY 2015/16 Budget

Motion: A motion was made by Mr. Kinard, seconded by Ms. Summers to approve the recommended budget with the additions that we made today for 2nd Reading.

In Favor:	Mr. Jeffcoat	Mr. Kinard
	Ms. Summers	Mr. Brigham
	Mr. Collins	Mr. Keisler
	Mr. Yarborough	Mr. Tolar
	Mr. Cullum	

Old/New Business - None.

Motion: A motion was made by Ms. Summers, seconded by Mr. Kinard to adjourn the meeting.

In Favor:	Mr. Jeffcoat	Ms. Summers
	Mr. Kinard	Mr. Brigham
	Mr. Collins	Mr. Keisler
	Mr. Yarborough	Mr. Tolar
	Mr. Cullum	

There being no further business, the meeting was adjourned.

Respectfully submitted,

Judy R. Busbee
Assistant to the Clerk

Johnny W. Jeffcoat
Chairman

Diana W. Burnett
Clerk